

**STATE BONDING FUND
INVESTMENT PERFORMANCE REPORT AS OF APRIL 30, 2007**

	April-07				March-07					December-06				September-06				Current FYTD	Prior Year FY06	3 Years Ended 6/30/2006	5 Years Ended 6/30/2006
	Allocation		Month	Net ROR	Allocation		Quarter	Net ROR	Month	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR				
	Market Value	Actual			Policy	Market Value				Actual	Policy			Market Value	Actual						
LARGE CAP DOMESTIC EQUITY																					
<i>Structured Growth</i>																					
Los Angeles Capital	77,643	2.8%	2.8%	4.40%	74,366	2.8%	2.8%	3.86%	0.72%	80,202	2.8%	2.8%	7.40%	76,653	2.7%	2.8%	1.60%	18.30%	11.12%	N/A	N/A
Total Structured Growth	77,643	2.8%	2.8%	4.40%	74,366	2.8%	2.8%	3.86%	0.72%	80,202	2.8%	2.8%	7.40%	76,653	2.7%	2.8%	1.60%	18.30%	11.12%	12.01%	-0.32%
Russell 1000 Growth				4.71%				1.19%	0.54%				5.93%				3.94%	16.65%	6.12%	8.35%	-0.76%
<i>Structured Value</i>																					
LSV	77,720	2.9%	2.8%	4.93%	74,050	2.8%	2.8%	2.37%	2.03%	88,774	3.1%	2.8%	8.09%	84,460	3.0%	2.8%	4.90%	21.80%	15.05%	21.14%	12.22%
Russell 1000 Value				3.70%				1.24%	1.55%				8.00%				6.22%	20.44%	12.10%	15.70%	6.89%
<i>Russell 1000 Enhanced Index</i>																					
LA Capital	156,360	5.7%	5.6%	4.77%	149,227	5.6%	5.6%	1.64%	0.67%	168,219	5.8%	5.6%	7.67%	152,896	5.4%	5.6%	3.71%	18.92%	11.58%	N/A	N/A
Russell 1000				4.20%				1.21%	1.04%				6.95%				5.06%	18.51%	9.08%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																					
Westridge	167,075	6.1%	5.6%	4.47%	159,892	6.0%	5.6%	0.75%	1.16%	169,491	5.9%	5.6%	6.86%	163,265	5.8%	5.6%	5.75%	18.93%	8.77%	N/A	N/A
S&P 500				4.43%				0.64%	1.12%				6.70%				5.67%	18.49%	8.63%	N/A	N/A
<i>Index</i>																					
State Street	48,464			4.09%	46,555			1.60%	1.54%	59,571			8.03%	56,716			5.78%	20.86%	9.51%	11.47%	2.62%
Total 130/30	48,464	1.8%	1.9%	4.09%	46,555	1.7%	1.9%	1.60%	1.54%	59,571	2.1%	1.9%	8.03%	56,716	2.0%	1.9%	5.78%	20.86%	9.51%	11.47%	2.62%
S&P 500				4.43%				0.64%	1.12%				6.70%				5.67%	18.49%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	527,262	19.3%	18.8%	4.58%	504,090	18.8%	18.8%	1.79%	1.11%	566,257	19.5%	18.8%	7.50%	533,990	19.0%	18.8%	4.49%	19.57%	10.95%	13.63%	3.95%
S&P 500				4.43%				0.64%	1.12%				6.70%				5.67%	18.49%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																					
<i>Manager-of-Managers</i>																					
SEI	175,613	6.4%	6.3%	3.00%	170,471	6.4%	6.3%	2.43%	1.12%	191,443	6.6%	6.3%	8.82%	175,728	6.3%	6.3%	-0.01%	14.80%	13.58%	18.20%	7.84%
Russell 2000 + 200bp				1.96%				2.45%	1.24%				9.43%				0.94%	15.40%	16.86%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	175,613	6.4%	6.3%	3.00%	170,471	6.4%	6.3%	2.43%	1.12%	191,443	6.6%	6.3%	8.82%	175,728	6.3%	6.3%	-0.01%	14.80%	13.58%	18.20%	7.86%
Russell 2000				1.80%				1.95%	1.07%				8.90%				0.44%	13.51%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY																					
<i>Large Cap - Active</i>																					
Capital Guardian	114,032	4.2%	4.0%	3.34%	110,543	4.1%	4.0%	3.10%	1.82%	124,666	4.3%	4.0%	8.53%	114,737	4.1%	4.0%	5.02%	21.44%	28.07%	20.99%	6.90%
LSV	110,153	4.0%	4.0%	3.96%	105,976	4.0%	4.0%	5.11%	2.77%	123,882	4.3%	4.0%	10.66%	111,972	4.0%	4.0%	6.24%	28.45%	27.09%	N/A	N/A
Total Large Cap - Active	224,186	8.2%	8.0%	3.64%	216,519	8.1%	8.0%	4.09%	2.28%	248,549	8.6%	8.0%	9.58%	226,709	8.1%	8.0%	5.62%	24.86%	27.66%	21.92%	12.63%
MSCI EAFE - 50% Hedged				3.87%				4.03%	2.41%				9.06%				4.87%	23.59%	26.72%	22.56%	6.89%
<i>Small Cap - Value</i>																					
Lazard	27,915	1.0%	1.0%	3.70%	26,925	1.0%	1.0%	2.39%	2.32%	30,538	1.1%	1.0%	14.71%	26,635	0.9%	1.0%	0.72%	22.68%	23.65%	28.06%	N/A
Citigroup Broad Market Index < \$2BN				4.10%				7.05%	3.20%				11.41%				1.53%	26.05%	29.28%	32.40%	N/A
<i>Small Cap - Growth</i>																					
Vanguard	29,534	1.1%	1.0%	3.87%	28,434	1.1%	1.0%	6.59%	3.18%	30,971	1.1%	1.0%	12.63%	27,500	1.0%	1.0%	3.73%	29.35%	29.24%	32.39%	N/A
Citigroup Broad Market Index < \$2BN				4.10%				7.05%	3.20%				11.41%				1.53%	26.05%	29.28%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	281,635	10.3%	10.0%	3.67%	271,878	10.2%	10.0%	4.17%	2.38%	310,058	10.7%	10.0%	10.36%	280,844	10.0%	10.0%	4.93%	25.06%	27.35%	23.83%	8.67%
MSCI EAFE - 50% Hedged				3.87%				4.03%	2.41%				9.06%				4.87%	23.59%	26.72%	22.56%	6.89%
DOMESTIC FIXED INCOME																					
<i>Core Bond</i>																					
Western Asset	443,664	16.3%	16.8%	0.68%	438,560	16.4%	16.8%	1.61%	0.01%	545,139	18.8%	19.0%	2.01%	531,335	18.9%	19.0%	4.45%	9.01%	-0.90%	7.36%	8.59%
Lehman Aggregate				0.54%				1.50%	0.00%				1.24%				3.81%	7.25%	-0.81%	2.05%	4.97%
<i>Mortgage Backed</i>																					
Hyperion	123,321	4.5%	4.4%	0.37%	122,493	4.6%	4.4%	N/A	0.92%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)								1.89%													
<i>Core Plus/Enhanced</i>																					
Clifton Group	122,984	4.5%	4.4%	0.59%	121,664	4.5%	4.4%	1.91%	0.12%	124,064	4.3%	4.4%	0.66%	122,558	4.4%	4.4%	N/A	N/A	N/A	N/A	N/A
Prudential	122,743	4.5%	4.4%	0.63%	121,325	4.5%	4.4%	1.49%	-0.02%	124,236	4.3%	4.4%	1.88%	121,190	4.3%	4.4%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	245,727	9.0%	8.8%	0.61%	242,989	9.1%	8.8%	1.70%	0.05%	248,300	8.6%	8.8%	1.27%	243,748	8.7%	8.8%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				0.54%				1.50%	0.00%				1.24%				3.81%				
<i>Index</i>																					
Bank of ND	219,185	8.0%	8.3%	0.57%	223,715	8.4%	8.3%	1.37%	-0.26%	229,327	7.9%	8.3%	1.31%	233,697	8.3%	8.3%	3.10%	6.49%	-1.14%	1.14%	4.90%
Lehman Gov/Credit (1)				0.59%				1.47%	-0.17%				1.04%				3.91%	7.15%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>																					
Wells Capital (formerly Strong)	441,650	16.2%	16.8%	0.90%	435,559	16.3%	16.8%	1.74%	-0.60%	543,583	18.8%	19.0%	1.75%	531,191	18.9%	19.0%	4.60%	9.26%	-2.11%	2.63%	N/A
Lehman US Credit BAA				0.90%				1.79%	-0.62%				1.49%				4.80%	9.23%	-2.37%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	1,473,547	54.1%	55.0%	0.69%	1,463,316	54.7%	55.0%	1.57%	-0.14%	1,566,348	54.1%	55.0%	1.70%	1,539,971	54.8%	55.0%	4.28%	8.47%	-1.39%	6.59%	7.79%
Lehman Aggregate (2)				0.54%				1.50%	0.00%				1.24%				3.81%	7.25%	-0.81%	1.84%	5.28%
CASH EQUIVALENTS																					
Bank of ND	267,968	9.8%	10.0%	0.43%	266,823	10.0%	10.0%	1.32%	0.46%	263,060	9.1%	10.0%	1.32%	277,253	9.9%	10.0%	1.35%	4.48%	4.50%	2.71%	2.42%
90 Day T-Bill				0.44%				1.25%	0.45%				1.26%				1.33%	4.34%	4.00%	2.37%	2.25%
TOTAL BONDING FUND	2,726,025	100.0%	100.0%	1.85%	2,676,577	100.0%	100.0%	1.93%	0.48%	2,897,167	100.0%	100.0%	4.08%	2,807,786	100.0%	100.0%	3.84%	12.20%	5.28%	7.24%	5.20%
POLICY TARGET BENCHMARK				1.67%				1.61%	0.56%				3.50%				3.81%	10.99%	4.99%	6.57%	5.10%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.